

1997-98 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance
(JC-Fi)

Sample:

- Record of Comm. Proceedings
- 97hrAC-EdR_RCP_pt01a
- 97hrAC-EdR_RCP_pt01b
- 97hrAC-EdR_RCP_pt02

- Appointments ... Appt
-
- Clearinghouse Rules ... CRule
-
- Committee Hearings ... CH
-
- Committee Reports ... CR
-
- Executive Sessions ... ES
-
- Hearing Records ... HR
-
- Miscellaneous ... Misc
- 97hr_JC-Fi_Misc_6-23-98 Mtg_pt01
-
- Record of Comm. Proceedings ... RCP
-

June 23, 1998

13.10 m/s

C.J. HEISE

REAL ESTATE APPRAISAL SERVICE

(414) 248-8848 • Fax (414) 248-8848

W3552 WILDWOOD DRIVE • LAKE GENEVA, WI 53147

January 10, 1998

Mr. William Peterson
580 Lakeshore Dr
Lake Geneva, WI 53147


Dear Mr. Peterson;

Pursuant to your request, I have made an investigation and appraisal of Lots 5 and 6, Black Point Farm, Linn Township, Walworth County, WI. and the improvements, if any, included thereon. The purpose of the appraisal is to estimate the property's market value, via the acceptable appraisal approaches, and determine their highest and best use (H&BU) as of December 1, 1997. Refer to Addendum A for a definition of Market Value.

The appraised properties are located in the Geneva Lake area of Walworth County midway between the communities of Lake Geneva and Fontana, Wisconsin. Southern Wisconsin's Geneva Lake area, which is located approximately 100 miles to the south, has long been a popular resort / secondary home market for persons living in Chicago and surrounding suburbs. The major attraction to the area is Geneva Lake, a spring fed 5,200 acre lake with a maximum depth of 144' and 26 miles of shoreline. Properties fronting on the lake and in the immediate surrounding areas are primarily developed with Single Family Residence (SFR) uses, with those having private lakefront ownership supporting values up to \$5,000,000+ and a mean value in the \$750,000 to \$1,500,000 range. Other attractions to the area include 3 larger resorts: the Abbey, Grand Geneva (the former Playboy Club) and Lakelawn Lodge. In addition there are 16 public golf courses, including two rated in the top 100 courses in Wisconsin, the Palmer and Trevino courses at Geneva National.

Properties in the immediate area of the subject are primarily developed with SFR uses, -a number of which are larger Geneva Lakefront homes. Employment and shopping centers are generally found in the surrounding communities and areas of northern Illinois.

The subject properties are located in the SFR subdivision in Linn Township known as Black Point Farm. The subdivision, which consists of 6 homesites, was created from a former farm that was part of a large Geneva Lakefront estate. The individual homesites comprising the subdivision all have a level to moderately rolling topography and vary in size from 5.47 acres to 12.64 acres, not included is a 3.79 acre commonly owned outlot. Use (horses and other animals are allowed) and development (minimum residence size is 1750 square feet) on the individual homesites is governed by a set of Restrictive Covenants, a copy of which is attached.



In addition to Lot 5 there are two (2) other improved homesites in the association, their value on the open market would be in the \$300,000 range.

The following legal description may not necessarily correspond verbatim with those contained in the instruments constituting the chain of title, but is offered in order to identify the subject:

Lots 5 and 6, Black Point Farm

The properties are identified in the tax and assessment books of Walworth County under the tax key numbers IBL 5 and 6. Following is the 1997 tax and assessment data on the two lots:

	IBL 5	IMB 6
assessments		
land	\$108,100	\$31,900
improvements	\$140,200	-
equalized value*	\$261,508	\$33,597
taxes	\$4,140.11	\$469.95

Following is a description of the individual lots and the improvements situated on Lot 5:

Lot 5 is a rectangular shaped parcel of land that is situated in the NW corner of the subdivision at the intersection of Southland Rd. and Black Point Dr. The property has a rolling and partially wooded topography and offers a total land area of 550,561 SF, or 12.64 acres. Site improvements include a circular gravel driveway and private well and septic.

Improvements to the site consist of an older farmhouse that has been converted into its present duplex use and a large barn with an attached 1 car garage. Two other former farm buildings located on the site are considered to have minimal, if any, contributory value to the property due to their present condition. Following is a brief description of the pertinent characteristics of the residence, its units and the barn:

AGE:	effective 15-20 years
STYLE:	colonial
SIZE:	3,229 SF
CONSTRUCTION:	frame w/beveled wood siding
FOUNDATION:	stone and concrete
ROOF:	asphalt shingle w/enameled downspouts and gutters
BASEMENT:	1194 SF, or, 59%
WINDOWS:	double hung w/combinations
ELECTRIC:	200 amp circuit breaker service
HEAT:	individual fca -100,000 btu furnaces

Unit 1

SIZE: 1,518 SF
ROOM COUNT: 6/3/2 1st Fl LR, Kitchen, Den & 1 Bath
2nd Fl 3 BR and 1 Bath
INTERIOR: the interior of this unit is finished w/
plaster or drywall walls and ceilings,
painted trim and 5 panel doors. The floor
coverings are softwood, carpet or
resilient.
MISCELLANEOUS: patio
CONDITION: good

Unit 2

SIZE: 1,711 Sf
ROOM COUNT: 5/3/2 1st Fl LR, Kitchen, 1 BR & 1 Bath
2nd Fl 1 BR, 1 Bath and laundry
INTERIOR: the interior is finished w/drywall walls
and ceiling, painted trim and 6 panel
doors. Floor coverings are either slate,
hardwood, carpet or resilient.
MISCELLANEOUS: LR with a cathedral ceiling (pine walls
and ceiling) slate floors and a fireplace.
CONDITION: average to good

Parcel 6 is a rectangular shaped lot that is adjacent to the south lotline of Parcel 5 in the SW corner of the subdivision. The parcel has a rolling and clear topography and is 278,019 SF, or, 6.38 acres in size. Black Point Road runs on the south and west sides of the lot. An external obsolescence factor that is felt mildly impacts this homesite, the view of the storage buildings used in the operation of Majestic Marine.

Neither property is considered to be in a designated flood hazard area according to the FEMA Flood Insurance Rate Map, Community #550462-0130B, dated August 15, 1983.

Zoning of both properties falls under the C-2 (Upland Resource Conservation District) according to the Walworth County Zoning Maps. Uses allowed under this classification include SFR on parcels 5 acres or larger in size. Attached is a copy of this zoning classification for further reference.

In any appraisal, it is necessary to determine the Highest & Best Use (H&BU) of the subject property. If you refer to Addendum B, you will note a description of H&BU and the process one must go through in making this decision.

Considering all factors, including zoning, market conditions and Section 2 of the Restrictive Covenants, the H&BU of both properties is considered to be a SFR homesite with the division of Lot 5 into a second 5+ acre SFR homesite. This lot would more than likely be created from the southerly half of Lot 5 and in addition to its rolling topography would be partially wooded.

The valuation of the subject properties will be based on the above H&BU. First will be cited the data on a number of vacant SFR homesites. This data will be utilized in arriving at a value for both Lot 6 and the proposed second 5+ acre homesite of Lot 5, hereafter referred as Lot 5B. The valuation of the improvements and remaining land of Lot 5, hereafter referred to as Lot 5A, will be presented on a grid format that is attached with this report. Following is the data considered in the valuation of the two (2) vacant homesites:

#	Location	Sale Pr/ Date	Size	Comment
1	Summit Dr Maple Hills Linn Township	\$85,000/ April 97	2.75 ac	wooded and rolling lot sold to adjacent land owner for protection.
2	Lot 3 CSM 2418 Linn Pier Rd Linn Township	\$80,000/ April 94	5 ac	predominately level site w/a small wooded area. Horses are allowed.
3	Knob Rd Lyons Township	\$65,000/ Dec. 96	5 ac	partially wooded lot in a popular SFR area east of Lake Geneva.
4	Lot 3 CSM 1672 S. Shore Dr Linn Township	\$178,000/ current -	10 ac	wooded lot fronting on S. Shore Dr. that could be divided into two 5 ac homesites.

Illustrated above is the data on the sale of 3 properties and 1 currently listed parcel. Properties 1, 2 and 4 are all located in the subject area of Linn Township with Property 3 located in Lyons Township, a very popular rural SFR area 5 miles east of Lake Geneva. Homesites in this area are generally hilly and wooded. Properties 1, 3 and 4 are all parcels with rolling and wooded topography's with Property 1 being sold to the adjacent land owner for protection from further development. Property 2 is a lot that fronts on Linn Pier Rd. a half mile from Geneva Lake.

The property has a predominately level topography and the boarding of horses is allowed in the existing zoning. Property 3 is described above. The area in which it is located is often described as the nicest rural SFR area in Walworth County. Property 4 is a wooded 10 acre parcel that fronts on S. Shore Dr. approximately 1 mile north of Academy Rd. The property is zoned C-2 which allows SFR use on homesites that are a minimum of 5 acres in size. The above sales have an indicated Sale Price Per Acre, rounded, of \$31,000, \$16,000, \$13,000 and \$18,000 respectively.

Based on a review of the available data, including that presented herein, and other pertinent influencing factors, especially the subject's location, the local history and the surrounding land uses, the following values are felt to be reasonable and supportable:

Lot 5B \$85,000

Lot 6 \$77,500

Please note, the reason for the difference in the value of the two lots is based on both the view offered and individual characteristics.

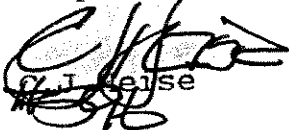
Refer to Addendum C for the valuation of Lot 5A and its' estimated value of \$260,000.

Based on a review of the available data, including that presented herein, the following estimated values are felt supportable:

Lot 5 \$345,000 (\$260,000 + \$85,000)

Lot 6 \$77,755

Respectfully,


C. J. Reuse

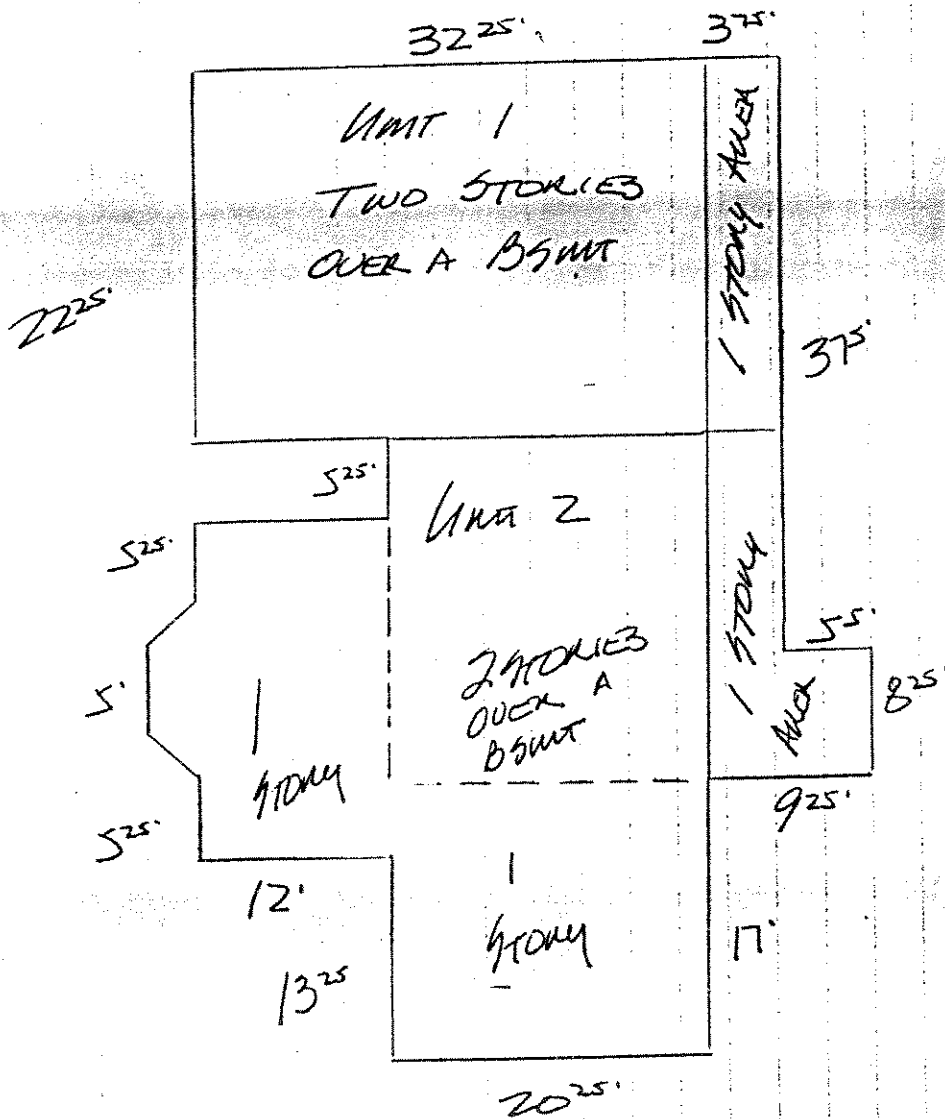
ITEM	SUBJECT	COMPARABLE NO. 1		COMPARABLE NO. 2		COMPARABLE NO. 3	
Address		N809 Hillside Rd Linn Township 4-5 mi		2766 Hospital Rd Lyons Township 5+ mi			
Proximity to Subject		\$ 322,000		\$ 237,000		\$	
Listing Price	\$	\$ 95		\$ 113		\$	
Price/Gross Liv. Area	\$						
Location and/or		mls/files		mls/files			
Inspection Source	inspection	DESCRIPTION		DESCRIPTION		DESCRIPTION	
VALUE ADJUSTMENTS	DESCRIPTION	(-) \$ Adjustment		(-) \$ Adjustment		(-) \$ Adjustment	
Terms of Financing		conv		cash			
Accessions		6/97		9/95			
Date of Sale/Time		rural/good		rural/good			
Location	subr/good	same		same			
Use/hold/Ten Simple	fee simple	same		same			
Size	sfr 6+ ac	sfr 20 ac -50000		sfr 9 ac +20000			
View	countryside	same		same			
Design and Appeal	colonial	cape cod		colonial			
Quality of Construction	aver/frame	same		same			
Age	effective 15-20	15-20		15-20			
Condition	aver/good	same		asme			
Room Count	11 6 4	10 4 3 1/2 +500		8 3 1 1/2 +2500			
Gross Living Area	3229 Sq. Ft.	3400 Sq. Ft.		2100 Sq. Ft. +28000			
Basement & Finished							
Rooms Below Grade	59% unfin	40% unfin		25% unfin			
Functional Utility	good	good		good			
Heating/Cooling	zoned fca	fca +2000		fwa +3000			
Energy Efficient Items	typical	typical		typical			
Garage/Carport	1 cdet	4 cdet -15000		1 cdet			
Deck, Patio, Dock, etc.	barn/patio/fireplace	barn/w/stable/fireplace -5000		sm guesth/barn/pole bldg/fireplace -20000			
Other, Pool, etc.							
Net Adj. (total)		\$ 67,500		\$ 33,500		\$	
Adjusted Sales Price of Comparable		\$ 254,500		\$ 270,500		\$	

Comments on Sales Comparison (including the subject property's comparability to the neighborhood, etc.): Illustrated above is the data on the sales of 2 farmette type SFR that are felt would be in the subject's market. Sale 1, with 20 acres, could have been divided into an additional 2 homesites. The Site adjustment reflects the total "net" value of the property. The Site adjustment to Sale 2 reflects its current site versus the subject which is estimated at \$90,000. Other adjustments considered necessary were for Size (Sale 2) and Amenities. Sale 2 included a small guesthouse, pole bldg and barn.

ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3
Address, Price and Date				
Source, for prior sales within year of appraisal				
Analysis of any current agreement of sale, option, or listing of the subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal.				

INDICATED VALUE BY SALES COMPARISON APPROACH. \$ 260,000
 INDICATED VALUE BY INCOME APPROACH (If Applicable) Estimated Market Rent \$ / Mo. x Gross Rent Multiplier - \$ na
 This appraisal is made ☒ "as is" ☐ subject to the repairs, alterations, inspections or conditions listed below ☐ subject to completion per plans and specifications.
 Conditions of Appraisal: The IA was not utilized due to the lack of adequate data. The appraiser assumes the well and septic to be in good operating condition, but does not warrant such. Based on a review of the available data, both sales and currently listed properties, with consideration given the subject the two illustrated sales were felt to be the most representative of the appraised property's market. Based on this data, the subject is estimated to have a market value of \$260,000.
 The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/Fannie Mae Form 1004B (Revised _____).
 (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF _____
 WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 260,000
 APPRAISER: _____ SUPERVISORY APPRAISER (ONLY IF REQUIRED): ☐ Did ☐ Did Not
 Signature

W4191 Black Point Dr
Carmel Township, IN



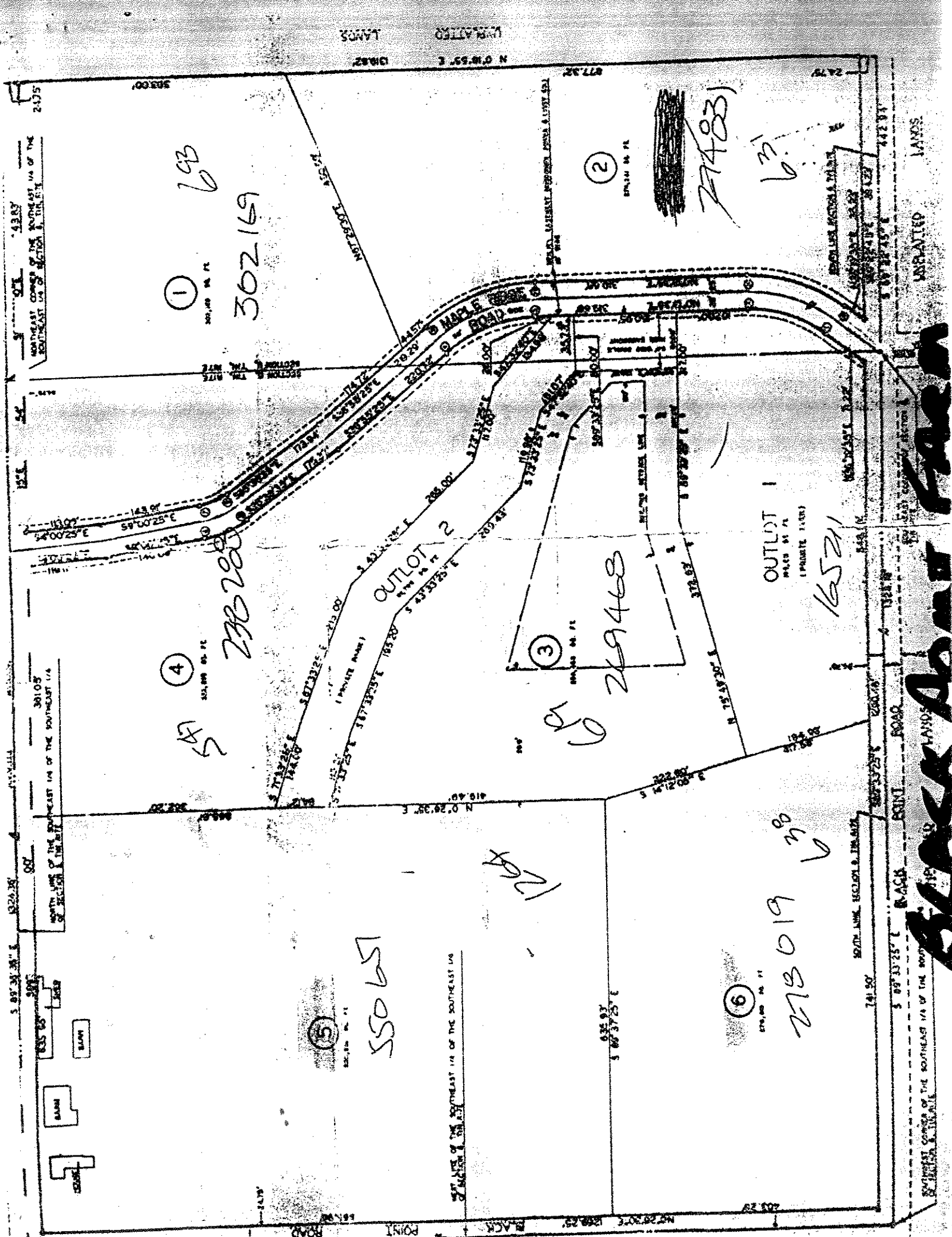
RESIDENCE:

Unit 1
 $32'25" \times 22'25" \times 2 = 1435$
 $3'75" \times 22'25" \times 1 = 83$

 TOTAL = 1518

Unit 2
 $20'25" \times 23'5" \times 2 = 952$
 $20'25" \times 17' \times 1 = 344$
 $12' \times 21' \times 1 = 252$
 $3'75" \times 23'5" \times 1 = 88$
 $5' \times 8'25" \times 1 = 48$
 Bay Window = 22

 TOTAL = 1711 21



① 63 302169

② 274033

④ 273200

③ 269468

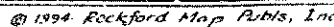
⑤ 159051

⑥ 273019

124X

16521

Black Point



WATER CONDITIONERS — LIVESTOCK WATERING EQUIPMENT

Addendum A

DEFINITION OF VALUE AND PROPERTY RIGHTS

Market Value, as defined by "FIRREA" and used in this analysis, is:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

A Fee Simple Estate (1) is defined as follows:

Absolute ownership unencumbered by any other interest or estate; subject only to the limitations of eminent domain, escheat, police power, and taxation.

The Leased Fee Estate is defined as follows:

An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of lessor or the leased fee owner and leased fee are specified by contract terms contained within the lease.

¹ The Dictionary of Real Estate Appraisal published by the American Institute of Real Estate Appraisers of the National Association of Realtors, 1984, page 123.

ADDENDUM B

HIGHEST and BEST USE

Highest and Best Use is defined by the Appraisal Institute, as set forth in the Tenth Edition of the Appraisal of Real Estate, as "the reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible and results in the highest value".

The H&BU of land (or site), if vacant and available for use, maybe different from the H&BU of an improved property. This will be true when the improvement is not an appropriate use and yet makes a contribution to total property value in excess of the value of the land (site). In any case the H&BU of the property must meet the following four tests:

1. The use must be physically possible.
2. The use must be legally permissible.
3. The use must be financially feasible.
- and 4. The use must be maximally productive.

3.4 CONSERVATION DISTRICTS

C-2 UPLAND RESOURCE CONSERVATION DISTRICT

The primary purpose of this district is to preserve, protect, enhance, and restore all significant woodlands, related scenic areas, submarginal farmlands, and abandoned mineral extraction lands within the County. Regulation of these areas will serve to control erosion and sedimentation and will promote and maintain the natural beauty of the County, while seeking to assure the preservation and protection of areas of significant topography, natural watersheds, ground and surface water, potential recreation sites, wildlife habitat, and other natural resource characteristics that contribute to the environmental quality of the County.

(A) PRINCIPLE USES:

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Farming and related agricultural uses when conducted in accordance with the County Conservation Standards 2. Forest Preservation | <ol style="list-style-type: none"> 3. Forest and Game Management 4. Parks and Recreation Areas; Arboreta; Botanical Gardens 5. Stables 7. Single-Family Detached Dwellings |
|--|--|

(B) CONDITIONAL USES: (See Section 4.0)

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. Animal Hospitals, Shelters and Kennels 2. Land Restoration 3. Golf Courses 4. Ski Hills 5. Yachting Clubs and Marinas 6. Hunting and Fishing Clubs 7. Recreation Camps 8. Public or Private Campgrounds | <ol style="list-style-type: none"> 9. Riding Stables 10. Planned Residential Developments 11. Sewage Disposal Plants 12. Governmental and Cultural Uses, such as Fire and Police Stations, Community Centers, Libraries, Public Emergency Shelters, Parks, Playgrounds, and Museums 13. Utilities |
|---|--|

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(C) AREA, HEIGHT & YARD REQUIREMENTS:

Lot:	Area:	Minimum 5 acres
	Width:	Minimum 300 feet
Building:	Height:	Maximum 35 feet
Dwelling	Height:	Maximum Two (2) times the distance from the nearest lot line
Other Structures		
Yards:	Rear:	Minimum 100 feet
Dwelling and	Side:	Minimum 20 feet
Accessory Structures	Street:	
	Subdivision Road:	Minimum 25 feet
	Town Road:	Minimum 50 feet
	County Road:	Minimum 65 feet
	State & Federal	
	Highways:	Minimum 85 feet
	(not including freeways)	
	Shore:	Minimum 75 feet

C-3 CONSERVANCY-RESIDENTIAL DISTRICT

essentially the same as that of the

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions⁴ granted by anyone associated with the sale.

⁴Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower; the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia, except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: _____

APPRAISER:

SUPERVISORY APPRAISER (only if required):

Signature: _____	Signature: _____
Name: _____	Name: _____
Date Signed: _____	Date Signed: _____
State Certification #: _____	State Certification #: _____
or State License #: _____	or State License #: _____
State: _____	State: _____
Expiration Date of Certification or License: _____	Expiration Date of Certification or License: _____

☐ Did ☐ Did Not Inspect Property



STATE OF WISCONSIN ETHICS BOARD

James R. Morgan
Chairman
Paul M. Holzem
David L. McRoberts
Robert G. Borgwardt
Joanne R. Orr
Dorothy C. Johnson

On the capitol square at:
44 EAST MIFFLIN STREET, STE 601
MADISON, WISCONSIN 53703-2800
phone: 608/266-8123
fax: 608/264-9309
email: ethics@mail.state.wi.us

Roth Judd
Director

January 28, 1998

Senator Brian Burke, Co-Chair
Joint Committee on Finance
119 Martin Luther King Blvd., LL1
Madison, WI INTER-D

Representative John Gard, Co-Chair
Joint Committee on Finance
State Capitol, RM 316N
Madison, WI INTER-D

RE: Quarterly Update for supplemental
appropriation under §13.101(3),
Wisconsin Statutes

By letter of July 31, 1997, the committee's co-chairs asked me to inform you of costs the Ethics Board incurs for investigating possible violations of Wisconsin's ethics code and lobbying law. The board incurred expenses totaling \$2,107.74 during the period October 1, 1997 through December 31, 1997. The total expenses incurred year-to-date is \$3,693.40.

I will continue to report to you quarterly regarding expenses that the Ethics Board incurs for enforcement of the lobby laws and ethics code.

Sincerely,

A handwritten signature in black ink, appearing to read "Roth Judd", written over the typed name and title.

Roth Judd
Director

/hh

cc: Members, Joint Committee on Finance
Dan Caucutt, DOA

duplicate

**Owner's
Information
Sheet**

The Title Insurance Commitment is a legal contract between you and the Company. It is issued to show the basis on which we will issue a Title Insurance Policy to you. The Policy will insure you against certain risks to the land title, subject to the limitations shown in the Policy.

The Company will give you a sample of the Policy form, if you ask.

The Commitment is based on the land title as of the Commitment Date. Any changes in the land title or the transaction may affect the Commitment and the Policy.

The Commitment is subject to its Requirements, Exceptions and Conditions.

THIS INFORMATION IS NOT PART OF THE TITLE INSURANCE COMMITMENT.

YOU SHOULD READ THE COMMITMENT VERY CAREFULLY.

If you have any questions about the Commitment, contact the Issuing Office.



**Chicago Title
Insurance Company**

171 North Clark Street
Chicago, Illinois 60601-3294

**ALTA
COMMITMENT
1982 (Rev. 10-19-88)**

Issued by:
SECURITY TITLE COMPANY OF
WALWORTH COUNTY

☒ 25 North Wisconsin Street
Elkhorn, WI 53121
(414) 723-2929

FAX (414) 723-5251

SECURITY TITLE COMPANY OF
WALWORTH COUNTY

253 Center Street
Lake Geneva, WI 53147
(414) 248-1123
FAX (414) 248-6533

Countersigned

Authorized Signatory

Agreement to Issue Policy

We agree to issue a policy to you according to the terms of this Commitment. When we show the policy amount and your name as the proposed insured in Schedule A, this Commitment becomes effective as of the Commitment Date shown in Schedule A.

If the Requirements shown in this Commitment have not been met within 6 months after the Commitment Date, our obligation under this Commitment will end. Also, our obligation under this Commitment will end when the Policy is issued and then our obligation to you will be under the policy.

Our obligation under this Commitment is limited by the following:

- The provisions in Schedule A.
- The Requirements in Schedule B-I.
- The Exceptions in Schedule B-II.
- The Conditions on Page 2.

This Commitment is not valid without
SCHEDULE A and Sections I and II of
SCHEDULE B.

CHICAGO TITLE INSURANCE COMPANY

By:

President

By:



EXHIBIT

F

**A.L.T.A. COMMITMENT
CHICAGO TITLE INSURANCE COMPANY
SCHEDULE A**

Prepared for:

William O'Connor
25 W. Main Street, #801
Madison, WI 53703

Attention:

Commitment No.:
64479

Office File No.:
64479

Effective Date:
February 20, 1998
at 8:00 a.m.

1. Policy or Policies to be issued:

ALTA OWNER'S POLICY, Form B -1992 (Amended, 10-17-92)	Amount
	\$10,000.00

Proposed Insured:

TO BE DETERMINED.

ALTA LOAN POLICY, 1992 (Amended, 10-17-92)	Amount
	\$

Proposed Insured:

2. Title to the fee simple estate or interest in the land described or referred to in this Commitment is at the effective date hereof vested in:

William O. Petersen, as to Parcel 1 and 3. Alma Schmidt Petersen and William O. Petersen, her son, as to Parcel 2. Edward S. Petersen, as Trustee under trust agreement dated 4/29/77 and known as the Edward S. Petersen Trust, and to his successor or successors in trust, an undivided 1/3 interest, Conrad W. Petersen, an undivided 1/3 interest and William O. Petersen, an undivided 1/3 interest.

3. The land referred to in the Commitment is described as follows:

PARCEL 1: A parcel of land located in Government Lot 2, the Northwest Quarter of the Southeast Quarter and in Government Lot 3, the East Half of the Southwest Quarter, all in fractional Section 8, Town 1 North, Range 17 East, Walworth County, Wisconsin, and described as follows, to-wit: Commencing at the West 1/16 corner of the southeast quarter of said Section 8; thence S 89° 35' E 276.52 feet along the centerline of a public road to the place of beginning; thence N 0° 36' E 307.27 feet; thence N 68° 02' W 178.90 feet; thence N 29° 50' W 197.13 feet; thence N 31° 40' W 164.24 feet to the shore of Geneva Lake; thence northeasterly 315 feet along said shore; thence S. 45° 03' E 472.69 feet; thence S 59° 29' W 4.30 feet; thence S 5° 23' E 43.77 feet; thence S 40° 08' E 113.62 feet; thence S 7° 33' W 311.92 feet; thence S 0° 57' E 73.72 feet; thence South 119.75

(continued)

Schedule A (continued)

Commitment No.: 64479

feet to the centerline of said public road; thence N 89° 35' W 153.71 feet to the place of beginning.

PARCEL 2: A parcel of land located in Government Lot 2, the Northwest 1/4 of the Southeast 1/4 and in Government Lot 3, the East 1/2 of the Southwest 1/4, all in fractional Section 8, T1N, R17E, Walworth County, Wisconsin, and described as follows, to-wit: Commencing at the West 1/16 corner of the Southeast 1/4 of said Section 8; thence S 89° 35' E 276.52 feet along the centerline of a public road; thence N 0° 36' E 275.06 feet to the place of beginning; thence continue N 0° 36' E 32.21 feet; thence N 68° 02' W 178.90 feet; thence N 29° 50' W 107.13 feet; thence N 31° 40' W 164.24 feet to the shore of Geneva Lake; thence Southwesterly 234.7 feet more or less along said shore to a point N 68° 02' W 454.73 feet from the place of beginning; thence S 68° 02' E 454.73 feet to the place of beginning.

Also a right of way 25 feet in width, providing ingress and egress to the above described parcel, the centerline of which is described as follows, to-wit: Commencing at the West 1/16 corner of the Southeast 1/4 of said Section 8; thence S 89° 35' E 276.52 feet along the centerline of a public road; thence N 0° 36' E 24.75 feet to the Northerly line of said road; thence S 89° 35' E 104.86 feet to the centerline of an existing road and the place of beginning; thence N 29° 57' W 144.94 feet along the centerline of said existing road; thence N 10° 13' E 130.00 feet along the centerline of said existing road; thence N 74° 39' W 54.70 feet to the place of termination.

PARCEL 3: A parcel of land located in the South Half of Section 8, Town 1 N R 17 E, Walworth County, Wisconsin, described as follows, to-wit: Commencing at the West 1/8th Section corner of the Southeast Quarter of said Section 8; thence S 89°-35' E 246.52 feet; thence N 0°-36' E 232.94 feet; thence S 75°-31' E 30.90 feet; thence N 0°-36' E 49.75 feet to the place of beginning; thence N 68°-02' W 454.73 feet to the shore of Geneva Lake; thence Southerly 54.05 feet to a point; thence east-southeasterly to a point located 24.875 feet S 0°-36' W of the place of beginning; thence N 0°-36' E 24.875 feet to the place of beginning.

PARCEL 4: Lots 5 and 6 of Black Point Farm, a subdivision located in the SE 1/4 of the SE 1/4 of Section 8 and the SW 1/4 of the SW 1/4 of Section 9, T1N, R17E, Walworth County, Wisconsin, recorded in the office of the Register of Deeds of Walworth County on June 22, 1984 at Slides 67 and 68 in Cabinet "B" as Document No. 104118.

Tax Key Number: IL 800002A6, IL 800002A61, IL 800002A1,
IBL 00005 and IBL 00006

**A.L.T.A. COMMITMENT
CHICAGO TITLE INSURANCE COMPANY
SCHEDULE B - SECTION 1**

Commitment No.: 64479

Requirements

The following are the requirements to be complied with:

- a. Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.
- b. Payment to the Company of the premiums, fees and charges for the policy.
- c. Proper instruments(s) creating the estate or interest to be insured must be executed and duly filed for record, to wit:

1. Deed from William O. Petersen to TO BE DETERMINED, as to Parcels 1, 2 and 3.
2. Deed from Edward S. Petersen, as trustee under trust agreement dated 4/29/77 and known as the Edward S. Petersen Trust, and to his successor or successors in trust, an undivided 1/3 interest, Conrad W. Petersen, an undivided 1/3 interest and William O. Petersen, an undivided 1/3 interest to TO BE DETERMINED, as to Parcel 4.
3. Submit evidence of payment of 1997 taxes shown at #2 of Exceptions.
4. Record termination of the joint interest of Alma Schmidt Petersen, deceased, as to Parcel 2.
5. The proposed deed should either designate the subject property as non-homestead, identify the grantor as unmarried or be joined in by grantor's spouse.
6. Submit letter identifying current duly qualified acting trustee of the Edward S. Petersen Trust.
7. Waiver of Right of First Refusal contained in deeds shown at #17, #18, #19 and #20 of Exceptions.

A.L.T.A. COMMITMENT
CHICAGO TITLE INSURANCE COMPANY
SCHEDULE B - SECTION 2

Commitment No.: 64479

Exceptions

The policy or policies to be issued will contain exceptions to the following unless the same are disposed of to the satisfaction of the Company.

- a. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
- b. Special taxes or assessments, if any, payable with the taxes levied or to be levied for the current and subsequent years.
- c. Liens or deferred charges not shown on the tax roll for installations and connections of water and sewer laterals, mains and service pipes.
- d. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
- e. Rights or claims of parties in possession not shown by the public records.
- f. Encroachments, overlaps, boundary line disputes, and any other matters which would be disclosed by an accurate survey and inspection of the premises.
- g. Easements or claims of easements not shown by public records.

- 1. General taxes for the year 1998, not yet due or payable.
- 2. Taxes for the year 1997 are postponed in the amounts of \$2,053.68 (IBL 00005) and \$263.85 (IBL 00006).
- 3. Rights of the public in presently existing roads.
- 4. Covenants, conditions, restrictions and easements contained in deed executed by and between Clara Bartholomay and Henry Bartholomay, her husband Emma Schmidt dated June 1, 1940 and recorded in the office of the Register of Deeds for Walworth County, Wisconsin on June 10, 1940 in Volume 266 of Deeds at page 99 as Document No. 341067; in deed executed by and between Alma Schmidt Petersen and Conrad William Petersen dated March 6, 1964 and recorded in said Register's office on March 6, 1964 in Volume 602 of Deeds at page 432 as Document No. 557622 and in deed

**A.L.T.A. COMMITMENT
CHICAGO TITLE INSURANCE COMPANY
SCHEDULE B-2 (continued)**

Commitment No.: 64479

executed by and between Ernst C. Schmidt and Alma Schmidt Petersen dated March 3, 1953 and recorded in said Register's office on March 6, 1953 in Volume 452 of Deeds at page 587 as Document No. 450482.

5. Order establishing sanitary district in the Town of Linn filed on December 13, 1946 as Document No. 394515, wherein the subject premises are included within the limits of said district.
6. Lake Geneva Restriction Agreement recorded on December 8, 1910 in Volume 105 of Mortgages at page 119 and second agreement recorded August 22, 1913 in Volume 112 of Mortgages at page 300.
7. Rights of the public in and to the footpath around Geneva Lake.
8. Rights of the public in any submerged portions of the subject premises lying below the ordinary highwater mark of Geneva Lake.
9. Rights of others in and to the right of way, 25 feet in width for ingress and egress as described in deeds recorded March 6, 1964 in Vol. 602 on pages 437 and 442 as Document No. 557623 and 557624.
10. Building setback requirements of Lots 1, 2, 4, and 6 - side and rear yards 50', street yard - minimum 100', all as shown on recorded plat of Black Point Farm.
11. Note on Plat: The private parks labeled as Outlots 1 and 2 are for the exclusive use of Lots 1, 2, 3, 4, 5, & 6 of Black Point Farm.
12. Declaration of Restrictive Covenants for Black Point Farm as contained in instrument recorded in the office of the Register of Deeds for Walworth County, Wisconsin on September 21, 1987 in Volume 412 of Records on pages 398-411 as Document No. 153136.
13. Charges and assessments of the Black Point Farm Property Owners Association, as provided for in the Declaration of Restrictive Covenants for Black Point Farm, recorded September 21, 1987 in the office of the Register of Deeds for Walworth County, Wisconsin in Volume 412 of Records on page 398 as Document No. 153136.
14. Amendment to subdivision plat and Declaration of Restrictive Covenants for Black Point Farm recorded August 2, 1991 in Vol. 529 on page 526 as Document No. 215895.
15. Conditions contained in confirmation of easement recorded December 13, 1993 in Vol. 627 on page 3742 as Document No. 273705.

A.L.T.A. COMMITMENT
CHICAGO TITLE INSURANCE COMPANY
SCHEDULE B-2 (continued)

Commitment No.: 64479

16. Agreement by and between William O. Petersen and Perry Mandera recorded May 13, 1997 in Vol. 647 on page 2584 as Document No. 354820.
17. Right of First Refusal contained in deed to William O. Petersen recorded March 6, 1964 in Vol. 602 on page 432 as Document No. 557622.
18. Right of First Refusal as contained in deed to Alma Schmidt Petersen recorded March 6, 1953 in Vol. 452 on page 587 as Document No. 450482.
19. Right of First Refusal contained in deed to Alma Reese Gray recorded January 5, 1961 in Vol. 560 on page 637 as Document No. 525841, and recorded December 30, 1960 in Vol. 560 on page 449 as Document No. 525693.
20. Right of First Refusal contained in deed to Ernst C. Schmidt recorded March 6, 1953 in Vol. 452 on page 579 as Document No. 450480.
21. Terms and conditions of the Trust Agreement under which title to the subject premises is held and rights of the beneficiaries thereof and parties claiming under them.



STATE OF WISCONSIN ETHICS BOARD

James R. Morgan
Chairman
Paul M. Holzem
David L. McRoberts
Robert G. Borgwardt
Joanne R. Orr
Dorothy C. Johnson

On the capitol square at:
44 EAST MIFFLIN STREET, STE 601
MADISON, WISCONSIN 53703-2800
phone: 608/266-8123
fax: 608/264-9309
email: ethics@mail.state.wi.us

Roth Judd
Director

April 8, 1998

Senator Brian Burke, Co-Chair
Joint Committee on Finance
119 Martin Luther King Blvd., LL1
Madison, WI INTER-D

Representative John Gard, Co-Chair
Joint Committee on Finance
State Capitol, RM 316N
Madison, WI INTER-D

RE: Quarterly Update for supplemental
appropriation under §13.101(3),
Wisconsin Statutes

By letter of July 31, 1997, the committee's co-chairs asked me to inform you of costs the Ethics Board incurs for investigating possible violations of Wisconsin's ethics code and lobbying law. The board incurred expenses totaling \$604.00 during the period January 1, 1998 through March 31, 1998. The total expenses incurred year-to-date is \$4,297.40.

I will continue to report to you quarterly regarding expenses that the Ethics Board incurs for enforcement of the lobby laws and ethics code.

Sincerely,

Roth Judd
Director

/hh

cc: Members, Joint Committee on Finance
Dan Caucutt, DOA

May 6, 1998

**GRANT OF CONSERVATION
EASEMENT**

THIS GRANT OF CONSERVATION EASEMENT
(the "GRANT") is made as of this _____ day
of _____, 1998, by William O.
Petersen, and Jane Jordan Browne Petersen,
husband and wife, (hereinafter "Grantors"),
in favor of the Black Point Historic
Preserve, Inc., a Wisconsin nonstock
corporation (hereinafter "Grantee").

WITNESSETH:

WHEREAS, Grantors are the sole owners
in fee simple of certain real property in
Walworth County, Wisconsin, which is more
particularly described Exhibit A hereto
(hereinafter the "Property") and which is
further depicted on Exhibit B hereto which
identifies and delineates an Historic Zone,
a Shingle House Zone and a Black Point
Conservancy Zone, where specific
restrictions are established pursuant to
this Conservation Easement; and

WHEREAS, the Property possesses historic, educational, recreational,
natural, scenic and open space values of great importance to Grantee,
Grantors, the people of the Walworth County, the State of Wisconsin and the
United States; and

WHEREAS, in particular, the Property includes approximately 620 feet
of heavily wooded frontage land on the South Shore of Geneva Lake, a
public, navigable water body, contributes materially to the natural scenic
beauty of Geneva Lake and provides valuable plant and animal habitat; and

WHEREAS, the Property is improved with a well-preserved Queen Anne
Style wood residence constructed in 1888 designed by Adolph Cudell
(hereinafter the "Black Point Residence" or the "Residence"); and

WHEREAS, the Property also includes formal gardens and grounds
designed by Olaf Benson (hereinafter the "Grounds") which, together with
the lands within the Shoreland Conservancy Zone contribute to the setting,
context and public view of the Residence; and

WHEREAS, the Residence stands as a significant example of Queen Anne
design in Wisconsin, illustrates aesthetics of design and setting, and
possesses integrity of materials and workmanship; and

WHEREAS, because of its architectural, historic, and cultural
significance the Property was listed in the National Register of Historic
Places and the Wisconsin Register of Historic Places in 1994 and is a
certified historic structure under Section 170(h)(4)(B) of the Internal
Revenue Code; and

Return to:
William P. O'Connor
25 West Main St., #801
Madison, WI 53703

Parcel No.

EXHIBIT

B

WHEREAS, the State of Wisconsin has adopted conservation policies and programs to support the protection of undeveloped shoreland areas of navigable waters for plant and wildlife habitat, and the protection of natural scenic beauty for the benefit of the public, through the enactment of the Navigable Waters Protection Law, Section 281.31 of the Wisconsin Statutes; and

WHEREAS, the State of Wisconsin has recognized the public benefit of preserving the Property through the enactment of 1997 Wisconsin Act 27, which provides funds for the adaptation, operation and maintenance of the Black Point Residence and the surrounding Property for public use; and

WHEREAS, the Walworth County Board of Supervisors has adopted conservation policies and programs to protect the shoreland zone located within one thousand feet of the ordinary high water mark of Geneva Lake through the enactment of the Walworth County Shoreland Zoning Ordinance for purposes which include the protection of shore cover and natural beauty of lands abutting Geneva Lake; and

WHEREAS, the Grantors desire and intend that the historic, natural, scenic, ecological and aesthetic features and values of the Property be preserved for the benefit of the general public through the restrictions on the use of the Property set forth herein; and

WHEREAS, the conservation and historic preservation values of the Property have not been and are not likely to be adversely affected to any substantial extent by the construction and maintenance of the structures existing on the Property on the date of this grant or by the limited structures specifically permitted herein; and

WHEREAS, the specific conservation and historic preservation values of the Property are documented in an inventory of maps, drawings, reports and photographs (hereinafter the "Baseline Documentation") counterpart copies of which are on file with the records of the Grantee and those of the Grantors; and

WHEREAS, the Grantors and the Grantee desire, intend and have the common purpose of retaining the Property for historic preservation and conservation purposes, including preservation of relatively natural plant and animal habitat and as open space for the scenic enjoyment of the general public and pursuant to governmental conservation policies and for the preservation of the residence as a certified historic structure, all as described in Section 170(h) of the Internal Revenue Code of 1986, by placing perpetual restrictions on the use of the Property and granting to the Grantee the affirmative rights to monitor and enforce such restrictions in order to preserve, enhance and restore the lands all as described herein; and

WHEREAS, the common law of the State of Wisconsin and the Uniform Conservation Easement Act, Section 700.40 of the Wisconsin Statutes, provide for the creation and conveyance of conservation easements which impose restrictions on real property for the purposes of retaining or protecting natural scenic and open space values of real property and preserving the historical, architectural and cultural aspects of real property; and

WHEREAS, the Grantee is a nonstock corporation organized pursuant to Chapter 181 of the Wisconsin Statutes for the purpose of preserving, maintaining and operating the Black Point Residence and surrounding lands in the Town of Linn, Walworth County, Wisconsin for the benefit of the public for scientific, charitable and educational purposes and a qualified holder of conservation easements pursuant to Section 700.40 of the Wisconsin Statutes; and

WHEREAS, the Grantee is a publicly supported, tax-exempt organization, qualified under Sections 501(c)(3) and 170(h) of the Internal Revenue Code of 1986; and

WHEREAS, the Grantee agrees by accepting this grant to honor the intentions of the Grantors stated herein and to preserve and protect in perpetuity the conservation values of the Property for the benefit of this generation and generations to come.

NOW THEREFORE, in consideration of the above and mutual covenants, terms, conditions, and restrictions contained herein, and pursuant to the laws of the State of Wisconsin, including the Uniform Conservation Easement Act, Section 700.40 of the Wisconsin Statutes, the Grantors hereby voluntarily grant and convey to the Grantee, a holder's interest in a Conservation Easement in perpetuity over the Property of the nature and character and to the extent hereinafter set forth herein.

Section 1. Purpose. It is the purpose of this Conservation Easement to assure that the architectural, historic, cultural, scenic, natural and open space values of the Property will be retained and to prevent any use of the Property that will significantly impair or interfere with its conservation and historic preservation values. Grantors intend that this Conservation Easement will confine the use of the Property to activities that are not inconsistent with the purpose of this Conservation Easement.

Section 2. Grantors' Covenants: Restrictions on Use. In furtherance of the foregoing, the Grantors make the following covenants, running with and binding the Property in perpetuity. Any activity on or use of the Property inconsistent with the purpose of this Conservation Easement is prohibited. Without limiting the generality of the foregoing, the following activities and uses are expressly prohibited:

A. The division of the Property into two or more parcels, whether through legal or *de facto* subdivision, including divisions through the creation of condominiums, site leases or other means and the transfer of development rights or other use of the Property to increase the density of development of any lands not subject to this Conservation Easement.

B. Use of the Property for commercial or industrial purposes, including use by easement or other right of access or passage across or upon the Property in conjunction with commercial activity. This subsection shall not be construed to prohibit the use of the Property as a historic residence open to the public use of the property for educational, recreational, social or fund raising programs or activities conducted by or for the benefit of nonprofit organizations or public agencies.

C. The placement or construction of any buildings or other structures of any kind (including, without limitation, trails, drives, roads and parking lots) other than the following:

(i) The maintenance, repair, remodeling and replacement of the existing buildings and structures identified on Exhibit A, subject to the terms, conditions and limitations of this Conservation Easement,

(ii) Boundary markers, directional signs, fences, interpretive signs which describe the architectural, cultural, historic, ecologic and natural features of the Property and its environs, signs posted to control unauthorized entry or use of the Property and memorial plaques on the Property,

(iii) Tents or other temporary structures for the temporary use by contractors engaged in work on the Property, or by the Grantors, their guests or the public in connection with permitted uses of the Property.

(iv) Trails, drives, buildings or structures to support public use within the Shoreland Conservancy Zone or the Shingle House Zone approved by the Grantee and the Secretary of the Wisconsin Department of Natural Resources. Failure to respond in writing to the Grantor within 30 days of receipt of written notice of a proposal to place or construct any such improvements shall be considered as approval of such proposal by the Grantee or the Secretary, respectively.

(v) Trails, drives, buildings or structures to support public use within the Historic Zone approved by the Grantee and the Director of the State Historical Society of Wisconsin. Failure to respond in writing to the Grantor within 30 days of receipt of written notice of a proposal to place or construct any such improvements shall be considered as approval of such proposal by the Grantee or the Director, respectively.

Notwithstanding the foregoing, no structure may be erected on the Property which would materially diminish the visibility of the Residence from the waters of Geneva Lake.

D. Filling, grading, excavating or drilling, removal of topsoil, sand, gravel, rock, minerals or other materials, except as necessary to construct or install permitted structures and in accordance with generally accepted management practices to prevent erosion.

E. Any use or activity that causes or is likely to cause soil degradation, erosion, or significant pollution of any surface or subsurface waters. Generally accepted management practices shall be employed to minimize soil erosion during and after construction of permitted footpaths.

F. Vegetation, including standing grasses, forbs, shrubs and trees shall not be cut, disturbed or planted, other than as follows:

(i) Trees and other plants may be removed or trimmed in order to maintain and protect against hazards to people using permitted trails, drives or structures or as required to maintain liability insurance.

(ii) Trees and other plants within the Shingle House Zone may be cut, planted, trimmed or otherwise managed in a manner not inconsistent with the purposes of this Conservation Easement.

(iii) The existing lawns and gardens identified and described on Exhibit B may be maintained.

(iv) Trees and other plants within the Shoreland Conservancy Zone may be cut, planted, trimmed or otherwise managed in order to support public use of the Property, provide or enhance the visibility of the Residence from the waters of Geneva Lake, enhance wildlife habitat or natural scenic beauty in conformance with the Walworth County Shoreland Zoning Ordinance and pursuant to a Management Plan approved by the Grantee and Secretary of the Wisconsin Department of Natural Resources. Failure to object in writing to the Grantor within 30 days of receipt of such a Management Plan or amendment thereto shall be considered as approval of such plan or amendment by the Grantee or the Secretary, respectively.

(v) Trees and other plants within the Historic Zone may be cut, planted, trimmed or managed in order to support public use of the Property, provide or enhance the visibility of the Residence from the waters of Geneva Lake, restore the Grounds or enhance the Residence and its setting in conformance with the Walworth County Shoreland Zoning Ordinance and pursuant to a Management Plan approved by the Grantee and the Director of the State Historical Society of Wisconsin. Failure to object in writing to the Grantor within 30 days of receipt of such a Management Plan or amendment thereto shall be considered as approval of such plan or amendment by the Grantee or the Director, respectively.

(vi) A Management Plan under Subsections 2(F)(iv) or (v) shall be periodically reviewed and amended. No cutting, planting or other vegetation management authorized under Subsections 2(F)(iv) or (v) shall be conducted except pursuant to a Management Plan prepared, amended or reviewed and approved by the Grantee not more than 3 years prior to the commencement of such activities and include management objectives consistent with the purposes of this Conservation Easement.

G. The dumping or other disposal of refuse, debris or noncompostable waste on the Property.

H. The use of the Property for agricultural purposes, including grazing or husbandry of animals or tilling, planting, removal and management of plants, except as provided in Subsection 2(F).

I. The Residence shall not be demolished, removed, or razed except as provided in Section 9.

J. The Residence shall not be expanded or reduced in size (either horizontally or vertically) or otherwise substantially altered (including its interior or exterior color or appearance), except upon the prior approval of the Grantee. Failure to respond in writing to the Grantor within 30 days of receipt of written notice of a proposal to alter the Residence shall be considered as approval of such proposal by the Grantee.

K. The Shingle House shall not be replaced or its exterior appearance substantially altered, except upon the prior approval of the Grantee. Failure to respond in writing to the Grantor within 30 days of receipt of written notice of a proposal to alter the Shingle House shall be considered as approval of such proposal by the Grantee.

Section 3. Grantors' Covenants: Covenant to Maintain. Subject to Section 9 hereof, Grantors agree at all times to maintain the Black Point Residence in sound structural condition and a state of repair not less than that existing on the date of this easement. Grantors' obligation to maintain shall require replacement, repair and reconstruction by Grantor whenever necessary to preserve the Residence in substantially the same structural condition and state of repair as that existing on the date of the Conservation Easement. Grantors' obligation to maintain shall also require that the Property's landscaping be maintained in good appearance. The lawn areas shall be maintained as lawns, regularly mown. Subject to the casualty provisions of Section 9, this obligation to maintain shall require, to the extent feasible, that such replacement, rebuilding, repair and reconstruction of the Residence whenever necessary be undertaken in accordance with *The Secretary of Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* (36 C.F.R. Section 67), in effect on the date hereof and included in the Baseline Documentation (hereinafter the "Secretary's Standards").

Section 4. Grantors' Reserved Rights. Grantors reserve to themselves, their personal representatives, heirs, successors and assigns, all rights accruing from their ownership of the Property, including the right to engage in, or permit or invite others to engage in, all uses of the Property that are not expressly prohibited or inconsistent with the purposes of this Conservation Easement. The following rights, uses, and activities are expressly permitted by this Easement without further approval by Grantee:

A. The right to engage in all those acts and uses that: (i) are permitted by governmental statute or regulation; (ii) do not substantially impair the conservation and preservation values of the Property; and (iii) are consistent with the purpose of this Easement;

B. The right to maintain and repair the buildings according to the Secretary's Standards. As used in this subparagraph, the right to maintain and repair shall mean the use by Grantors of in-kind materials and colors, applied with workmanship comparable to that which was used in the construction or application of those materials being repaired or maintained, for the purpose of retaining in good condition the appearance and construction of the buildings. The right to maintain and repair as used in this subparagraph shall not include the right to make changes in appearance, materials, colors, and workmanship from the existing prior to the maintenance and repair without the prior approval of Grantee;

C. The right to continue all manner of existing residential use and enjoyment of the Property's buildings and garden, including but not limited to the maintenance, repair and restoration of existing fences; the right to maintain existing driveways, roads, and paths with the use of same or similar surface materials; the right to maintain existing utility lines, gardening and building walkways, steps, and garden fences, the right to cut, remove and clear grass or other vegetation and to perform routine maintenance, landscaping, horticultural activities, and upkeep, consistent with the purpose of this Easement; and

D. The right to conduct at or on the Property educational and nonprofit activities that are consistent with the protection of the conservation and preservation values of the Property.

Section 5. Rights of the Grantee. To accomplish the purposes of this Conservation Easement, the following rights are conveyed to the Grantee:

A. To preserve and protect the conservation and historical preservation values of the Property.

B. To enter upon the Property at reasonable times in order to monitor compliance with and otherwise enforce the terms of this Conservation Easement in accordance with Section 7, provided that, except in cases where the Grantee determines that immediate entry is required to prevent, terminate, or mitigate a violation of this Conservation Easement, such entry shall be upon prior reasonable notice to Grantors, and Grantee shall not in any case unreasonably interfere with Grantors' use and quiet enjoyment of the Property.

C. To prevent any activity on or use of the Property that is inconsistent with the purpose of this Conservation Easement and to require the restoration of such areas or features of the Property that may be damaged by any inconsistent activity or use, pursuant to Section 7.

Section 6. Grantee's Approval. Where Grantee's approval of Grantors' proposed activity is required herein, Grantors' request therefor shall be in writing and shall describe the scope, design, location, timetable, and any other material aspect of the proposed activity in sufficient detail to permit Grantee to make an informed judgment as to its consistency with the purpose of this Conservation Easement. Grantee shall grant or withhold its approval in writing within thirty (30) days of receipt of Grantors' complete request. Such approval may be withheld only upon a reasonable determination by Grantee that the action as proposed would be inconsistent with the purpose of this Conservation Easement.

Section 7. Grantee's Remedies.

7.1 Notice of Violation; Corrective Action. If Grantee determines that a violation of the terms of this Conservation Easement has occurred or is threatened, it shall give written notice to Grantors of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Property resulting from any use or activity inconsistent with the purpose of this Conservation Easement, to restore the portion of the Property so injured to its prior condition in accordance with a plan approved by Grantee.

7.2 Injunctive Relief. If Grantors fail to cure the violation within sixty (60) days after receipt of notice thereof from Grantee, or under circumstances where the violation cannot reasonably be cured within a sixty (60) day period, fail to begin curing such violation within such period, or fail to continue diligently to cure such violation until finally cured, Grantee may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Conservation Easement, to enjoin the violation, *ex parte* as necessary, by temporary or permanent injunction, and to require the restoration of the Property to the condition that existed prior to any such injury.

7.3 Damages. Grantee shall be entitled to recover damages for violation of the terms of this Conservation Easement or injury to any conservation values protected by this Conservation Easement, including, without limitation, damages for the loss of scenic, aesthetic, or environmental values. Without limiting Grantors' liability therefor, Grantee, in its sole discretion, may apply any damages recovered to the cost of undertaking any corrective action on the Property.

7.4 Emergency Enforcement. If Grantee, in its sole discretion, determines that circumstances require immediate action to prevent or mitigate significant damage to the conservation values of the Property, it may pursue its remedies under this Section 7 without prior notice to Grantors or without waiting for the period provided for cure to expire.

7.5 Scope of Relief. Grantee's rights under this Section 7 apply equally in the event of either actual or threatened violations of the terms of this Conservation Easement. Grantors agree that Grantee's remedies at law for any violation of the terms of this Conservation Easement are inadequate and that Grantee shall be entitled to the injunctive relief described in Subsection 7.2, both prohibitive and mandatory, in addition to such other relief to which it may be entitled, including specific performance of the terms of this Conservation Easement, without the necessity of proving either actual damages or the inadequacy of otherwise available legal remedies. Grantee's remedies described in this Section 7 shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

7.6 Costs of Enforcement. All reasonable costs incurred by Grantee in enforcing the terms of this Conservation Easement against Grantors, including, without limitation, costs and expenses of suit and reasonable attorneys' fees, and any costs of restoration necessitated by Grantors' violation of the terms of this Conservation Easement shall be borne by Grantors; provided, however, that if Grantors ultimately prevail in a judicial enforcement action each party shall bear its own costs.

7.7 Forbearance. Forbearance by Grantee to exercise its rights under this Conservation Easement in the event of any breach of any term of this Conservation Easement by Grantors shall not be deemed or construed to be a waiver by Grantee of such term or of any subsequent breach of the same or any other term of this Conservation Easement or of any of Grantee's rights under this Conservation Easement. No delay or omission by Grantee in the exercise of any right or remedy upon any breach by Grantors shall impair such right or remedy or be construed as a waiver.

7.8 Waiver of Certain Defenses. Grantors hereby waive any defense of laches, estoppel, or prescription.

7.9 Acts Beyond Grantors' Control. Nothing contained in this Conservation Easement shall be construed to entitle Grantee to bring any action against Grantors for any injury to or change in the Property resulting from causes beyond Grantors' control, including, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken by Grantors under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes.

Section 8. Public Access. Grantors shall, to the extent it is economically feasible, make the Black Point Residence and Historic Zone accessible to the public a minimum of 12 days per year, at least half of which shall be weekend days or holidays, which need not be consecutive. At the times deemed reasonable by Grantor, persons affiliated with educational organizations, professional architectural associations and historical societies shall be admitted to study the Property. Grantee may take photographs, drawings, or other representations documenting the significant historical, cultural and architectural character and features of the Property and distribute them to magazines, newsletters, or other publicly available publications, including electronic media, and use the same to fulfill its charitable and educational purposes related to Black Point. Subject to the foregoing, no right of access by the general public to any other portion of the Property is conveyed by this Conservation Easement, except for visual access from public waters and public ways.

Section 9. Casualty Damage or Destruction of the Black Point Residence; Insurance.

9.1 Casualty Damage or Destruction. In the event that the Black Point Residence or any part thereof shall be damaged or destroyed by the passage of time, fire, flood, windstorm, hurricane, earth movement, or other casualty, Grantors shall notify Grantee in writing within fourteen (14) days of the damage or destruction, such notification including what, if any, emergency work has already been completed. No repairs or reconstruction of any type, other than temporary emergency work to prevent further damage or to protect public safety, shall be undertaken by Grantors without Grantee's prior written approval. Within thirty (30) days of the date of damage or destruction, if required by Grantee, Grantors at their expense shall submit to the Grantee a written report prepared by a qualified restoration architect and an engineer who are acceptable to Grantors and Grantee, which report shall include the following:

- A. An assessment of the nature and extent of the damage; and
- B. A report of the work necessary to return the Residence to the condition existing at the date hereof; and
- C. A determination of the feasibility of restoration or reconstruction of the damaged or destroyed portions thereof.

9.2 Review After Casualty Damage or Destruction. If, after reviewing the report provided in Subsection 9.1 and assessing the availability of insurance proceeds after satisfaction of any mortgagee's/lender's claims, Grantors and Grantee agree that the purpose of the Easement will be served by such restoration/reconstruction, Grantors and Grantee shall establish a schedule under which Grantors shall complete the restoration/reconstruction of the residence in accordance with plans and specifications consented to by the parties up to at least the total of the casualty insurance proceeds available to Grantors.

If, after reviewing the report and assessing the availability of insurance proceeds after satisfaction of any lienholders' claims, Grantors and Grantee agree that restoration or reconstruction of the Residence is impractical or impossible, or agree that the purpose of the Easement would not be served by such restoration/reconstruction, Grantors may alter, demolish, remove, or raze the residence. In such event Grantors and Grantee may agree to extinguish those provisions of this Conservation Easement pertaining to the Historic Residence in accordance with the laws of the State of Wisconsin. Grantee and Grantors agree that restoration or reconstruction may be determined impractical in the event that the report determines that the cost to restore the Residence and to replace its furnishings with comparable furnishings would exceed fifty percent of the replacement value of the Residence and furnishings immediately preceding the casualty.

9.3 Insurance. Grantors shall keep the Property insured by an insurance company rated "A1" or better by Best's for the full replacement value against loss from the perils commonly insured under standard fire and extended coverage policies and comprehensive general liability insurance against claims for personal injury, death, and property damage. Property damage insurance shall include change in condition and building ordinance coverage, in form and amount sufficient to replace fully the damaged Property and buildings without cost or expense to Grantors or contribution or coinsurance from Grantors. Such insurance shall include Grantee's interest and name Grantee as an additional insured. Grantors shall deliver to Grantee, with ten (10) business days of Grantee's written request therefor, certificates of such insurance coverage. Provided, however, that whenever the Property is encumbered with a mortgage or deed of trust, nothing contained in this paragraph shall jeopardize the prior claim, if any, of the mortgagee/lender to the insurance proceeds.

Section 10. Costs, Liabilities, Taxes, and Environmental Compliance.

10.1 Costs, Legal Requirements, and Liabilities. Grantors retain all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep, and maintenance of the Property, including the maintenance of adequate liability insurance coverage. Grantors remain solely responsible for obtaining any applicable governmental permits and approvals for any construction or other activity or use permitted by this Conservation Easement, and all such construction or other activity or use shall be undertaken in accordance with all applicable federal, state, and local laws, regulations, and requirements. Grantors shall notify Grantee of any order issued by competent governmental authority directing Grantors to undertake any action or refrain from any action with respect to the Property.

10.2 Taxes. Grantors shall pay before delinquency all property taxes, special assessments, service fees, and other charges of whatever description levied on or assessed against the Property by competent authority, including any taxes imposed upon, or incurred as a result of this Conservation Easement. In the event that Grantors shall fail to pay any such tax, assessment or fee, Grantee may pay such tax, assessment or fee, which shall be a lien against the Property.

Section 11. Extinguishment and Condemnation.

11.1 Extinguishment. If circumstances arise in the future that render the purpose of this Conservation Easement impossible to accomplish, this Conservation Easement can be terminated or extinguished, whether in whole or in part, by judicial proceedings in a court of competent jurisdiction. The amount of the proceeds to which Grantee shall be entitled, after the satisfaction of prior claims, from any sale, exchange, or involuntary conversion of all or any portion of the Property subsequent to such termination or Extinguishment, shall be the stipulated fair market value of the Conservation Easement, or proportionate part thereof, as determined in accordance with Subsection 11.2.

11.2 Valuation. This Conservation Easement constitutes a real property interest immediately vested in Grantee, which, for the purposes of Subsection 11.1, the parties stipulate to have a fair market value equal to ___% of the value of the unencumbered Property, which has been determined by multiplying (1) the fair market value of the Property unencumbered by the Conservation Easement (minus any increase in value after the date of this grant attributable to improvements) by (2) the ratio of the value of the Conservation Easement at the time of this grant to the value of the Property, without deduction for the value of the Easement, at the time of this grant. The values at the time of this grant shall be those values used to calculate the deduction for federal income tax purposes allowable by reason of this grant, pursuant to Section 170(h) of the Internal Revenue Code of 1986, as amended. For the purposes of this paragraph, the ratio of the value of the Conservation Easement to the value of the Property unencumbered by the Conservation Easement shall remain constant.

11.3 Condemnation. If all or any part of the Property is taken by exercise of the power of eminent domain or acquired by purchase in lieu of condemnation, whether by public, corporate, or other authority, so as to terminate this Conservation Easement, in whole or in part, Grantors and Grantee shall act jointly to recover the full value of the interests in the Property subject to the taking or in lieu purchase and all direct or incidental damages resulting therefrom. All expenses reasonably incurred by Grantors and Grantee in connection with the taking or in lieu purchase shall be paid out of the amount recovered. Grantee's share of the balance of the amount recovered shall be determined by multiplying that balance by the ratio set forth in Subsection 11.2.

11.4 Application of Proceeds. Grantee shall use any proceeds received under the circumstances described in this Section 11 in a manner consistent with its conservation purposes.

Section 12. Assignment. The Grantee's interest in this Conservation Easement is transferable only to an organization qualified at the time of transfer under Section 170(h) of the Internal Revenue Code of 1986 (or any successor provision then applicable), and authorized to hold conservation easements under Section 700.40 of the Wisconsin Statutes or any successor provision then applicable or the laws of the United States. Provided however, that the Grantee's interest in this Conservation Easement may not be transferred to any entity holding fee title interest in the Property, except by condemnation. As a condition of transfer, except in the case of condemnation, Grantee shall require that the conservation purpose that this Conservation Easement aims to advance continues to be carried out. Grantee agrees to make reasonable efforts to notify the Grantors of its intention to assign its interest in this Conservation Easement at least thirty (30)

days in advance of the date of such assignment; however failure to give such notice shall not affect the validity of such assignment, nor impair the validity or enforceability of this Conservation Easement or otherwise diminish the rights of the Grantee.

Section 13. Subsequent Transfers. Grantors agree to incorporate the terms of this Conservation Easement by reference in any deed or other legal instrument by which they divest themselves of any interest in all or a portion of the Property, including, without limitation, a leasehold interest. Grantors agree to make reasonable efforts to notify the Grantee of its intention to transfer any such interest in the Property at least thirty (30) days in advance of the date of such transfer; however failure to give such notice shall not affect the validity of such transfer, nor impair the validity or enforceability of this Conservation Easement or otherwise diminish the rights of the Grantee.

Section 14. Estoppel Certificates. Upon request by Grantors, Grantee shall within sixty (60) days of a written request therefore, execute and deliver to Grantors, or to any party designated by Grantors, an estoppel certificate, which certifies Grantors' compliance with any obligation of Grantors contained in this Conservation Easement or otherwise evidences the status of the Property with respect to this Conservation Easement. Such certification shall be limited to the condition of the Property as of Grantee's most recent inspection. If Grantors request more current documentation, Grantee shall conduct an inspection, at Grantors' expense, within thirty (30) days of receipt of Grantors' written request therefor.

Section 15. Notices. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage prepaid, addressed as follows:

To Grantors: William O. Petersen and
Jane Jordan Browne Petersen
1120 Lake Shore Dr., #3B
Chicago, IL 60611

To the State
of Wisconsin: Secretary
Wisconsin Department of Administration
101 East Wilson Street
Post Office Box 7864
Madison, WI 53707-7864

To Grantee: Black Point Historic Preserve, Inc.
c/o William P. O'Connor
25 West Main Street, Suite 801
Madison, WI 53603

or to such other address as either party from time to time shall designate by written notice to the other.

Section 16. Recording. Grantee shall record this instrument in the office of the Register of Deeds for Walworth County, Wisconsin, and may re-record it at any time as may be required to preserve its rights in this Conservation Easement. Grantors and Grantee expressly intend that this Conservation Easement not be subject to the provisions of Section 893.33(6) of the Wisconsin Statutes or any successor provision.

Section 17. State of Wisconsin Ownership. The parties recognize that the Grantors intend to transfer its interest in the Property to the State of Wisconsin. In the event of such transfer, and for the term of ownership of the Property by the State of Wisconsin, the remedies of Sections 7.2 through 7.6 shall be subject to the applicable laws relating to the manner and means by which the State of Wisconsin may be sued and the insurance requirements of Sections 9.3 and 10.1 shall not apply to the State of Wisconsin. For the term of ownership of the Property by the State of Wisconsin, the parties agree that the affirmative obligations of the Grantors under this Conservation Easement are subject to the appropriation of funds by the Wisconsin Legislature.

Section 18. Permit Cooperation. The parties agree to join in the execution of applications for any governmental permits necessary to the discharge of their respective responsibilities under this Conservation Easement.

Section 19. General Provisions.

19.1 Controlling Law. The interpretation and performance of this Conservation Easement shall be governed by the laws of the State of Wisconsin.

19.2 Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Conservation Easement shall be liberally construed in favor of the grant to effect the purpose of this Conservation Easement and the policy and purpose of the Wisconsin Conservation Easement Act. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purpose of this Conservation Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.

19.3 Severability. If any provision of this Conservation Easement, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Conservation Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

19.4 Entire Agreement. This instrument sets forth the entire agreement of the parties with respect to the Conservation Easement and supersedes all prior discussions, negotiations, understandings, or agreements relating to the Conservation Easement, all of which are merged herein.

19.5 No Forfeiture. Nothing contained herein will result in a forfeiture or reversion of Grantors' title in any respect.

19.6 Successors. The covenants, terms, conditions, and restrictions of this Conservation Easement shall be binding upon, and inure to the benefit of the Grantors, their personal representatives, heirs, successors, and assigns and shall continue as a servitude running in perpetuity with the Property, and the Grantee and its successors and assigns. The terms "Grantors" and "Grantee" wherever used herein, and any pronouns used in place thereof, shall include, respectively, the above-named Grantors and their personal representatives, heirs, successors, and assigns, and Grantee and its successors and assigns.

19.7 **Termination of Rights and Obligations.** A party's rights and obligations under this Conservation Easement terminate upon transfer of the party's interest in the Conservation Easement or Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

19.8 **Captions.** The captions in this instrument have been inserted solely for convenience of reference and are not a part of this instrument and shall have no effect upon construction or interpretation.

TO HAVE AND HOLD the above-described Conservation Easement together with all and singular the appurtenances and privileges belonging or in any way pertaining thereto, either in law or in equity, either in possession or expectancy for the Property use, benefit, and behalf of Grantee, its successors and assigns, forever.

IN WITNESS THEREOF, the Grantors have hereunto set their hands and seals this ____ day of _____, 1998.

GRANTORS

William O. Petersen

Jane Jordan Browne Petersen

ACCEPTANCE

The Black Point Historic Preserve, Inc., by a resolution of its Board of Directors adopted at a duly convened meeting on the ____ day of _____, 1998, hereby accepts the Holder's interest in this Grant of Conservation Easement.

BLACK POINT HISTORIC PRESERVE, INC.

BY: _____

John K. Notz, Jr., its President

ATTEST: _____

William B. Gage, Secretary/Treasurer

STATE OF _____)

)- ss.

COUNTY OF _____)

Personally appeared before me this ____ day of _____, 1998, William O. Petersen, and Jane Jordan Browne Petersen, his wife, to me known to be the persons who executed this Grant of Conservation Easement and acknowledge the same.

Notary Public

(SEAL)

My commission expires: _____

STATE OF _____)
) ss.
COUNTY Of _____)

Personally appeared before me this ____ day of _____, 1998, John K. Notz, Jr., and William B. Gage, to me known to be the President and Secretary/Treasurer, respectively, of the Black Point Historic Preserve, Inc., who executed this Grant of Conservation Easement Acceptance and acknowledged that such acceptance is with the authority of the Board of Directors of said corporation.

Notary Public (SEAL)
My commission expires: _____

This document was drafted by:
Attorney William Pray O'Connor
State Bar No. 1015802
25 W. Main St., Ste. 801
Madison, WI 53703
TEL: (608) 255-7277
FAX: (608) 255-6006

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